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RECEIVED

JUN 16 2008

Ravalli County Commissioners

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June 13, 2008

Ravalli County Commissioners 215 S. 4th St. Suite A Hamilton, MT 59840

Ravalli County Attorney Attention Karen Mahar 205 Bedford, Suite C Hamilton, Montana 59840

Re:

Our Client:

North Star Aviation, Inc. - FBO

Lease of Airport Premises Our File No.: 12051-001

Dear Ladies and Gentlemen:

As you know from previous correspondence and the meeting we had last December, our office represents North Star Aviation, Inc. (hereafter "North Star".) As you know, North Star is a lessee under an airport lease with the Ravalli County Board of County Commissioners as lessor dated July 1, 2006.

We concluded the meeting last December with promises that the Commissioners and Airport Board would investigate potential federal funding for the construction of more ramp space at the Hamilton Airport in the hopes of resolving North Star's objection to the unilateral reduction in its airplane parking space that has been available to North Star for over 20 years. Apparently said investigation did not happen or, if it did, such funding was not available.

In March the Commissioners forwarded to North Star a proposed agreement calling for the lease of 7 airplane parking spaces which is actually one less than the eight spaces as set forth in the letter from the Commissioners dated August 6, 2006, which should actually be August 6, 2007. Although North Star did not sign and has never agreed to be bound by said agreement, or to be



AVALLI COUNTY ATTORNEY'S OFFICE

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limited to 7 spaces, said agreement expires by its very terms on June 30, 2008.

As you know, North Star is the only FBO presently operating at the Hamilton Airport. As explained in previous correspondence from our office, the attempts by the County to limit our clients rights under its Airport Lease as a means to reach settlement with Viper Air, et. al., is a breach of the North Star Airport Lease and we believe actionable.

Our client proposes to execute an amendment to the Airport Lease which provides that North Star will have access to all airplane parking spaces located adjacent to its hangar on a first come first serve basis as has been the parties customary practice.

Our client also objects to limitations on its ability to maintain or service planes at its hangar which it has historically and traditionally be allowed to do.

I realize that part of this controversy arises from the settlement between Ravalli County and Viper Air and others last year. As we explained in previous correspondence however, our client was not a party to those agreements and the County cannot placate Viper by breaching its obligations to North Star. More practically is the fact that Viper Air/Hamilton Air has yet to begin business as a FBO. It is unreasonable to illegally penalize the only operating FBO in order to placate an FBO that has not even opened its doors.

This matter has been unresolved for some time and we have been instructed to present this matter to the Court if not resolved by June 30, 2008.

Thank you for your attention to this matter. I look forward to hearing from you.

Martin S. King

North Star Aviation, Inc.